

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Labour Employment Training & Factories Department – Insurance Medical Services – CARE Hospitals, Andhra Pradesh – Grant of exemption from E.S.I. coverage under section 91-A of E.S.I. Act, 1948 – Rejected – Orders – Issued.

LABOUR EMPLOYMENT TRAINING & FACTORIES (IMS) DEPARTMENT

G.O.Rt.No. 52

Dated:13.01-2011

Read the following:-

1. Exemption application dated 05.06.2010 of CEO & Director, CARE Hospitals, Hyderabad.
2. From the DIMS Lr.Rc.No.12628/P1/2008, dated .09.2010.

ORDER:

In the reference 1st read above,. the CEO& Director, Care Hospitals, Hyderabad has submitted the application for exemption permanently from provisions of the ESI Act, 1948. He has stated that their establishment is situated in implemented area under ESI Act, and the 2245 permanent employees covered and 407 temporary employees were working. They have provided maternity leave to female employees and in case of death, they have provided some benefits to their employees. He further stated that the CARE Hospitals extends benefits and facilities to their employees & dependants on a scale superior to the ESI Scheme. Employees under CGHS Scheme, Public Sector, Private Sector and ESI Corporation itself refer their employees to CARE Hospital for better treatment. As per section 57 of ESI Act under scale of medical benefit, reasonable medical care of “such kind and such scale as may be provided by the State Govt. or by the Corporation” will be provided to under ESI Scheme, whereas CARE group hospitals provides full and wholistic medical care to their employees and dependants. He requested the Government to exempt their establishment permanently from the provisions of ESI Act.

2. In the reference 2nd read above, the Director of Insurance Medical Services, A.P., Hyderabad' has stated that the Exemption Committee in its meeting held on 31.08.2010, has stated that “the Regional Director, ESI Corporation have informed that on comparison of scale of benefits both medical as well as cash benefits provided by the employer to its employees have been found neither similar nor superior to the benefits provided under the Act. As per application the employer has sought permanent exemption from the provisions of the Act quoting Section 87 to 91A. The period for which exemption has been sought has not been specified. As per statute there is no provision to exempt any unit permanently. The application for exemption submitted by the employer is found lacking in all fronts. Therefore, coverage under the provisions of the Act would not deprive the employees of the benefits they are entitled to as per the terms of contract of employment. Considering all these aspects, the Committee unanimously took stock of the benefit provisions of the employer which are neither similar nor superior to the benefit provisions under the Act and hence recommended not to grant exemption.

3. Government, after careful examination of the recommendations of the Standing Committee for Exemptions, hereby reject the request of the CARE, Hospitals, Andhra Pradesh, Hyderabad for grant of permanent exemption to their employees from the coverage under Section 87 read with Section 91-A of E.S.I. Act, 1948 as the benefit provisions of the employer which are neither similar nor superior to the benefit provisions under the ESI Act.

4. The Director of Insurance Medical Services, A.P., Hyderabad, Hyderabad is requested to take necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF GOVERNOR OF ANDHRA PRADESH)

D. SREENIVASULU
SECRETARY TO GOVERNMENT

To

The Director of Insurance Medical Services, A.P., Hyderabad'

Copy to

The CEO& Director,

CARE Hospitals, 6-3-248/2, Road No.1, Banjara Hills, Hyderabad.

The Regional Director, ESI Corporation, Hyderabad.

//FORWARDED : : BY ORDER//

SECTION OFFICER